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PLANS AND ATTITUDES OF WINTER VEGETABLE GROWERS  
IN MONTEREY COUNTY, CALIFORNIA

The following is a summary received from our interviewer surveying the Monterey County, California winter vegetable area.

General Background: The major crop grown in Monterey County is lettuce, with a value of over \$26,000,000. Carrots, sugar beets, and dry beans are next on the list, with about \$3,000,000 values. Dairy and beef cattle are also important products in the county. Most of the vegetables are grown in a fairly well-defined area in the Salinas valley, where the weather is peculiarly suited for growing lettuce - it can be harvested from April on into December. So dependent are they on the cool weather of this area for producing the lettuce, that if there are two successive days of warm weather, the crop is ruined by the slime which sets in. Furthermore, this area is peculiar in that most of the lettuce land can be double-cropped - i.e., they can produce both lettuce and another crop (which is most frequently beans) on the same land in the same year. Or, they may produce two crops of lettuce on the land within one year. Most of the planting is done in the winter months of December, January, February, and the farmers feel quite definitely that they must make their plans for crop planting by November, if they are to prepare the ground properly.

The lettuce industry is controlled by the shipper-growers who handle large acreages and have large investments involved. There are no exact figures available, but one estimate is that they directly control over 50 percent of the land in the county. Most of them follow a diversified program of growing sugar beets, grain, and carrots in addition to the lettuce. There is also considerable variation in the extensiveness of their enterprises - some of them even having their own ice plants.

More significant is their relation to the independent growers. No independent grower can market his lettuce without dealing with the large "companies". Various kinds of "deals" are made with the independent growers; the company may tell a farmer what to grow, supervise the growing of the crop and the harvesting and shipping; an independent grower may "sell" his crop to a company as soon as

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he has a good stand of lettuce, be responsible for growing it to the harvesting stage, and let the shipper handle the harvesting operations; he may sell to a shipper for a base price and then share further profits on a 50-50 basis after all expenses of harvesting and packing are paid. The direction of the advantages of these arrangements varies; the shipper may buy for a high price, and then if the market falls, he takes a loss; or, on the other hand, he may buy when the market is low and realize large profits from a good market later. In any event, the "independent" farmer is entirely dependent on the shippers to furnish an outlet for his lettuce crop, and in a way he is working in competition with them if he grows lettuce.

This situation was extremely influential in the results of the last year's "scare" about there being a shortage of shock, labor and transportation for lettuce. The independent farmer knew that if there was a tight squeeze in the shipping situation, the company would not buy any more lettuce than they themselves had grown - they would take care of their own crops first. Thus, many independent farmers did not grow lettuce because they thought they would not be able to market the product, and the companies are the ones who made the "big money".

At the time the interviewing was done in Monterey County, the new OPA order cutting the price ceiling of lettuce to \$3.25 was the major source of concern and discussion. Thus, many of the attitudes expressed may be more hostile than they have been, or will be after things have settled down a little.

Another factor which may be unique to this area is the much-quoted "20-80" plan. The only version I got of the origin of this plan was from the Executive Secretary of the Shipper-Grower's Association. He claimed that the County Farm Advisor took it upon himself to interpret the Government's request that lettuce be reduced to 80 percent of the former crop into a generalized program which stated that farmers should devote 20 percent of their land to "non-essential" crops, mainly lettuce; and 80 percent to essential crops. This program was publicized, and the general impression was that this was a national program, and many of the growers now think that it was the official Department of Agriculture program. Thus, when any form of acreage control was mentioned, they thought of it in terms of the "20-80" plan.

The lettuce situation: During the past season, it is stated that the lettuce acreages were reduced by 10,000 acres, but in spite of the reduced acreages, the yield was greater than the year before. This is attributed to the fact that the weather was exceptionally



favorable, and also the farming was done more efficiently, taking better care of the crops and harvesting the entire crop. The inducement was sufficient; with a price-ceiling at \$4.50, big money was made. Furthermore, it is reported that many had planned to plant their second crop on the land in beans, but that the Army had requested that they plant lettuce because they predicted that Army needs could not be met if the restricted program were followed. Thus, the policy of restricting acreages was again sabotaged by the active market and high prices which were received for a "non-essential" product.

Now, with the new lettuce price-ceiling in effect, the companies are doing all they can to revise it upward. Their claim is that the \$3.25 ceiling really means \$2.70 to them, by the time the packing charges are deducted, and they state that they will lose money if they produce lettuce for that price. Some state flatly that they will lose even by producing lettuce for \$2.70, while others state that there should be a higher ceiling to allow them to make sufficient profit during good seasons to compensate for their losses when the market or the yield is poor. However, one certainly can't expect to get an honest statement of the costs of production from the growers, who are of course fighting to get all they can. County officials do not feel that the ceiling is too low, and one grower was frank enough to say that although he considered the ceiling a stringent one, it would at least prevent the market from being flooded and might be a move in their favor in the long run. He felt distinctly in the minority in making such a statement.

Any interpretation of the lettuce situation must be made with an understanding of the type of men who are engaged in the business. It is frankly a gambling enterprise. The very atmosphere of the sheds and their offices is indicative of this. The offices are all very well furnished, and the executives are the sort who wear their hats in their offices and drive fancy cars. Even smaller, independent growers who plant lettuce do so on the gamble that they may make a large "killing". With such an outlook, they are going to fight, more than most farmers, any attempts at stabilizing the industry.

The following comment, by an independent grower owning 160 acres of this valuable land, illustrates the importance of the gambling factor among the group:



"Only thing I'd like to see is for them to leave it (the pricing system) as it was. We took a whipping lots of times, on the lettuce, but at least you knew that once in awhile, if the market was right and you had a good crop, you could make a lot of money.... I don't see any sense in trying to protect the farmers. If they're not good enough to stand up under open competition - why try to protect them?"

It was impossible to get any clear picture as to what the plans are for the future in planting lettuce. They are too much up in the air at the moment, trying to see what can be done about the ceiling. They, of course, had been hoping to repeat the profiteering of last year, but the OPA ceiling has made them feel that they will have to "draw in their horns" on the plantings. Some predict that there will be a lettuce shortage next year. Others say merely that they certainly will not increase their acreages. Many of them just threatened to go out of business, or to raise beans instead. Figures from the County office show that there has been proportionately a much smaller decrease in the spring plantings this year as compared to last year than in the winter plantings. Figures on Monterey, Santa Cruz, and San Benito counties show November-February plantings of 13,129 acres as compared with 23,537 acres in 1942; however, in the spring, 11,753 acres were planted in 1943 as compared with 12,003 acres in 1942.

Carrots: Until recently, the carrot market seems to have been fairly good in this area. No crops were reported as having been plowed under, as in the Imperial Valley. Most of the carrots were being raised for dehydration for the first time, and the spring plantings for the three counties (Monterey, Santa Cruz, and San Benito) were similar to the winter plantings of last year. The November to February acreages increased to 3,078 as compared with 1,307 for 1942; the March to May plantings increased from 1,478 acres for 1942 to 3,542 for 1943. There is some concern over an over-supply of carrots, but the feeling is not in any way as intense as it was in the Imperial Valley. They do refer to the current surplus, however, as another example of where Government control of acreages has not functioned smoothly. There is no consistent pattern regarding plans for the future, unless it would be the reaction to the general point of view that there were a few too many carrots this year; however, the feeling about this is not sufficiently strong to cause much of a retrenchment.

Cabbage: The feeling about the cabbage is similar to that about lettuce, only on a much reduced scale. Cabbage has the reputation of having brought good money early in the year - but they now claim that the new price ceiling makes it practically prohibitive to grow cabbage. Little thinking is being done about cabbage acreages at present; many are now harvesting their crops for the dehydration plant for the first time, and until they know how they come out this



year, they cannot make plans for next.

Other vegetables: I got very little in the way of specific plans for planting other vegetables. Those who did commit themselves said that their plans were about the same as for last year, because they felt that the market could only absorb so much cauliflower, broccoli, etc., and they have pretty well established the amount they can handle successfully. There is the general feeling that price ceilings will soon be established on all vegetables, in accordance with the OPA order on lettuce. (Note: In this survey the artichoke area, a specialized area near the bay, was omitted.)

Attitudes toward Government price controls: There is no doubt about the characteristic thinking in this area; it is all in favor of private enterprise with no Government interference. "Let the law of supply and demand take care of it" is the characteristic expression. Some of the reactions were very vehement, particularly because producers are currently antagonized by the new price ceiling on lettuce. They do not think very deeply in the matter of preventing inflation, but look on it as a battle between agriculture and industry - both against industrial profits, which they feel have been uncontrolled, and against labor, which they feel is being pampered in the attempt to keep the cost of living down.

However, there is a central core of expression in favor of some price ceilings to "keep things from getting out of control". But, of course, they are fighting against price ceilings which will limit their profits. This is stated in terms of "we don't want to make unreasonable profits - we just want a fair margin. We just want to be able to stay in business." Thus, they think that the new price ceiling on lettuce should be just a little bit higher - though there is no consistent demand that it be raised to the former \$4.50. Only one grower was sufficiently farsighted to believe that there might be some advantage in a price ceiling which would be low enough to keep the market from being flooded.

On the matter of price floors, there seems to be a fairly characteristic pattern of thinking that such a measure wouldn't be of any use, because they state, "a floor doesn't do any good unless there is a market. You can't force people to buy it."

The very word "subsidies" brings strong negative reactions. They look upon subsidies as the epitome of the practices which they oppose and advance the usual arguments against them - that they are just a matter of taking money out of one pocket and putting it in another.



Their chief background on this is their experience with the sugar beets, which have been an unprofitable crop as well as an expensive and time-consuming one, and they therefore can see no advantage in such a practice.

Their attitudes toward acreage policies from the Government follow the same general line. The law of supply and demand has taken care of things so far and should continue to do so. Among the independent farmers who did not get the "gravy" from the lettuce program, there is antagonism because they planted "essential" crops and didn't make big money, whereas the lettuce did. There is a feeling of having been thwarted in any attempt to be patriotic because of the change in the policy, demanding more lettuce, and because they made very poor money on sugar beets, and have just come out moderately well on the crops which they raised for dehydration.

One moderately successful independent grower commented on this point as follows:

"I was a Bolshevik because I was growing four essential crops, all in the upper brackets - sugar beets, beans, and radishes (seeds for dried beans). I felt that I had a legitimate squawk coming when I was told lettuce would be put on the essential list."

Furthermore, there is some feeling against the companies who raised lettuce and because of their large profits were able to hoard labor, thus depriving those who were raising essential crops of their labor supply. Their rationalizations, in opposing programs controlling acreages, are that all vegetables are essential, and who can tell whether a vegetable is essential or not, when the Government itself doesn't seem to know what it wants.

In this connection, one of the most characteristic complaints of this area is that the farmers feel that they are utterly confused because they don't know what the Government's policies are going to be. They repeatedly insist that they know far enough in advance so that they can make their plans accordingly. Morale is really quite low in regard to backing any sort of "Food for Victory" program. They feel that they lack both direction and motivation. What spirit they may have had last year has been dissipated by the inconsistent policies with which they were confronted. They want some definite statement of what the Government's program is going to be, so that they can go ahead and make their plans accordingly.

Another statement which frequently arises, in regard to essential-



non-essential programs, is that it is more efficient for them to use their land for one crop of lettuce and spend the rest of the year growing another crop on the same land. Thus, they claim, the land is being used most efficiently, because it is not allowed to stand idle at all. Accustomed as they are to double-cropping their land, land which is idle part of the year appears to be a waste - at least this is the argument advanced by the lettuce growers.

Labor: They are generally well satisfied. Theirs is a diversified program so they can use workers the year around. Their feeling is that the importation of Mexican nationals has worked out successfully. Prevailing wage is 65 cents an hour.

Recommendations: The general outlook in this area is much the same as in the Imperial Valley. Winter vegetable growers consistently feel that Governmental plans are not made with an understanding of their early planting seasons, and they are not notified sufficiently in advance of their planting to make plans according to a Government program.

Second, there has been no consistency in the essential-non-essential program. If there is to be an attempt to carry out such a program, it must be clear-cut and have sufficient teeth in it to hold these powerful companies in line. Otherwise it results in mere exploitation of the smaller, less powerful operators. Such press releases as that of June 28 are of no use. It says that the WPA will "give assistance in obtaining necessary labor, machinery, etc." and "preference will be given to potatoes, cabbage, etc." What does this mean? When a farmer is making his plans, he wants to know whether this guarantees him shock, and means that he can't get it for other vegetables. Merely saying that because of a shock shortage, growers of lucrative crops in lettuce and celery "are advised to keep their acreage below 80 percent of the 1942 level" does not mean that he, too, shouldn't join the band-wagon and plant these crops. Furthermore, the press release makes no statement about the market which will be provided for the desired vegetables. It is this error which led to unnecessary over-production of carrots in the Imperial Valley. They should give some estimate as to the amount over 1942 levels which they expect to be able to absorb, so that everybody won't think that kale is a good bet, and flood the market with it, thus repeating this past year's fiasco.

Another item which should be cleared up in publicity is whether any sort of coordination with Army demands has been made. The farmers now feel that there are two sources of policy - the "Government" and the Army. They are more likely to make their plans in anticipation of Army needs, because the Army has been the big customer of the past season.



The general point of view of the press-release is acceptable in its statement on price controls, but it needs to be more specific. Farmers have no faith in what the OPA considers "adequate returns", because they are thinking in terms of their experiences with sugar beets and carrots, and a general statement such as this will probably not curb any tendencies to take chances on "speculative prices obtained during the past season." Of course, the price ceiling on lettuce is a definite step in the right direction. (Incidentally, none of the growers I talked to had heard of or seen this press release, because they repeatedly asked me if I knew anything about the Government's requests and plans for next year.)

The experience in this county with the "20-80" plan would indicate that some such clear-cut statement of policy does bring results. Although this specific plan was not popular, it did have one positive result. A clear-cut aim such as that regarding acreages did give the farmers some yardstick to go by, and was a policy which it was fairly easy for them to grasp.

Availability of supplies has little bearing on their plans for the future, in their present thinking. They have not been hampered by shortages of fertilizer or seed, and the transportation has generally been adequate. They have been held up, at times, because of difficulties in obtaining ice, and attribute this to the wage ceiling which has been placed on workers in the ice plants, so it is impossible for them to maintain help to operate at full force. The shock problem here is of course paramount. However, it does not compare with the matter of price ceilings as an influential factor in making their plans. Most of them have had the shock supply as a constant worry and are still concerned about it, but they have somehow been able to obtain enough to keep on shipping lettuce and are willing to take a similar gamble on next year.

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